

## **REMARKS**

Applicants respectfully traverse and request reconsideration.

Applicants wish to thank the Examiner for the notice that claims 37-40 are allowed and that claims 14, 24, 27 and 28 are objected to.

Applicants have added new claim 41 which is dependent on claim 1 and is directed to the subject matter suggested by the Examiner in a previous telephone conference. Accordingly, Applicants respectfully submit that the claim is in condition for allowance. Applicants have also amended claims 38, 39 and 40 to remove parenthetical information as parenthetical information should be removed.

Claims 1-8, 10-13, 15-23, 25, 26, 31-33 and 35 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over Watts. This is a new ground of rejection. There appears to be a typographical error since paragraph 6 of the rejection does not reference claims 29 or 30, but the body of this portion of the rejection rejects claims 29 and 30 under Watts. As to the new rejection of claim 1, the office action appears to be inconsistent and appears to provide a conclusory statement as to the application of Watts. Watts is concerned with a different aspect of security operation from the claimed subject matter in that Watts merely seeks to provide a multi-level authentication scheme for a recipient of the security card described in Watts. In contrast, as set forth in Applicants' Background of the Invention portion and elsewhere, phishing is a problem not contemplated by Watts nor does the system described by Watts address this problem. One would not be motivated upon reading Watts to provide the answer with the challenge nor has the office action given reasoning for Watts to adopt the specific claimed subject matter. The only motivation appears to come from Applicants' own Specification. The office action in fact admits that Watts teaches "the security system retrieves location information

and the desired sender authentication information for authentication” (office action paragraph 7). The office action admits that Watts does not contemplate sending by the sender unit, a message and both the location information and desired sender authentication information for the recipient.

The office action appears to be conclusory and uses improper hindsight, Applicants respectfully request reconsideration and allowance of the independent claims.

The dependent claims add additional novel and non-obvious subject matter.

As to claim 29, Applicants have amended the claim to indicate that the claimed transaction card includes not only the transaction card serial number information that identifies the transaction card, but also account information and sender authentication information identified by location information wherein the location information is also on the transaction card. As claimed, a unique and low cost transaction card is provided that may be used to facilitate online transactions such as debit card transactions, credit card transactions, banking transactions and other transactions that also employ a low cost sender authentication information mechanism to provide a new type of transaction card not contemplated alone or in combination with Watts.

The dependent claims add additional novel and non-obvious subject matter.

Claim 36 stands rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over Goede. The office action cites col. 3, lns. 25-29 of Goede as allegedly teaching transaction card identification information on the transaction card. Applicants respectfully submit that Goede does not describe a transaction card. Goede is directed to a memory aiding device as stated throughout Goede. Accordingly, the claims are allowable for this reason alone. In addition, the cited portion of the reference makes no mention of any transaction card identification information but instead the cited portion refers to location designating symbols such as letters

disposed in a row as well as numerals. Applicants respectfully request reconsideration since the claim requires transaction card serial number information that identifies the transaction card. There is no such information set forth in the cited portion. Accordingly, Applicants respectfully submit that the claims are in condition for allowance. Also, there is no translucent identification member affixed to the transaction card set forth in the cited portion. There is no indication in the office action as to what structure in Goede corresponds to the claimed transaction card as compared to the translucent member that is affixed to the transaction card. The cited portion actually refers to the substrate 12 and not to any translucent identification member affixed to 12. Applicants respectfully submit that the transaction card cannot be affixed to itself. Since the claimed subject matter is not set forth in the cited reference, Applicants respectfully submit that the claims are in condition for allowance.

The dependent claims add additional novel and non-obvious subject matter.

Applicants respectfully submit that the claims are in condition for allowance and respectfully request that a timely Notice of Allowance be issued in this case. The Examiner is invited to contact the below listed attorney if the Examiner believes that a telephone conference will advance the prosecution of this application.

Respectfully submitted,

Dated: September 1, 2010

By: /Christopher J. Reckamp/  
Christopher J. Reckamp  
Reg. No. 34,414

Vedder Price P.C.  
222 North LaSalle Street  
Chicago, Illinois 60601  
PHONE: (312) 609-7599  
FAX: (312) 609-5005